



WISCONSIN LEGISLATIVE COUNCIL AMENDMENT MEMO

2003 Assembly Bill 524	Assembly Amendment 1
<i>Memo published: September 30, 2003</i> <i>Contact: Mary Matthias, Senior Staff Attorney (266-0932)</i>	

2003 Assembly Bill 524 creates a nonrefundable income and franchise tax credit for equity investments in venture capital funds and a nonrefundable individual income tax credit for cash investments in a community-based seed capital fund or in certain businesses. In order to be eligible for the tax credits, investments must be made in funds or businesses that are certified by the Wisconsin Capital Investment Board (the Board), which is created in the bill and attached to the Department of Commerce.

Under the bill, the Board consists of five members appointed by the Governor, with the advice and consent of the Senate, for five-year terms. Each member must have expertise concerning venture capital and financial investments. The bill establishes requirements for certification of funds and businesses and authorizes the Board to promulgate rules establishing its procedures to certify funds and businesses.

Assembly Amendment 1 changes the process by which members are appointed to the Board. Under the bill, all five members are appointed by the Governor, with the advice and consent of the Senate. Under the amendment, three of the members continue to be appointed by the Governor, one of the members is appointed by the Speaker of the Assembly, and one of the members is appointed by the majority leader of the Senate.

2003 Assembly Bill 524 was introduced on September 18, 2003, by Representative McCormick and others; cosponsored by Senator Kanavas and others, and referred to the Assembly Committee on Economic Development. The committee held a public hearing and executive session on the bill on September 29, 2003. The committee introduced and adopted Assembly Amendment 1 on a vote of Ayes, 8; Noes, 0, and recommended passage of the bill, as amended, on a vote of Ayes, 8; Noes, 0.

MM:jal;ksm